

# LOS ALAMOS NATIONAL SECURITY, LLC

## 2013 COMMUNITY COMMITMENT PLAN

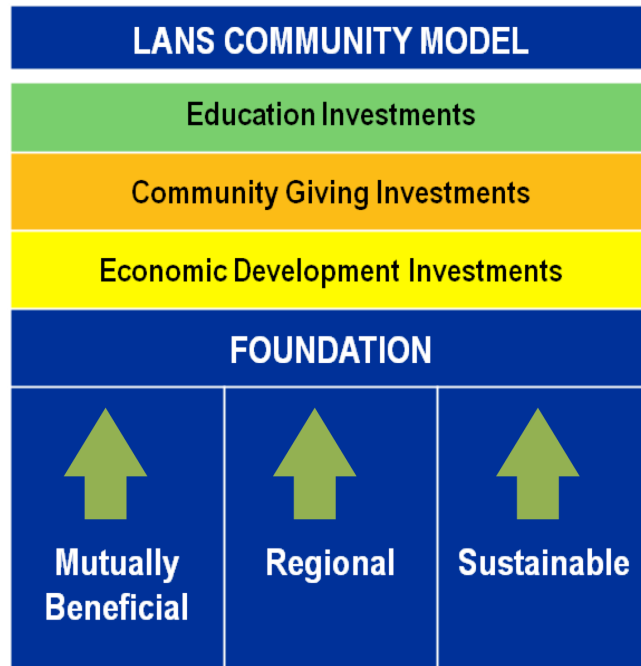
### Introduction

Successful implementation of the LANS *Community Commitment Plan* has helped establish Northern New Mexico as a place that is growing regional wealth and attracting scientific talent.

Since 2006, the LANS *Community Commitment Plan* has:

- Strengthened the technical workforce pipeline
- Targeted community investments in ways that contribute to recruitment and retention of talent (e.g., good schools a criteria for many; economic diversity = spousal employment opportunities)
- Generated support for the Lab
- Met Appendix H Prime Contract provisions

The community investment model identified in 2006 to strengthen LANL's outreach efforts and ensure our programs are mutually beneficial and sustainable has proven to be well-founded. However, it has become more important than ever to manage LANS investments in a manner that assures the Laboratory's and its neighbors' challenges will continue to be addressed as effectively as possible. What follows is our recommendation to focus and maximize returns from LANS community investments.



### 2006-2012: Progress to date

Significant accomplishments have been made during the past six years in workforce development and education initiatives, economic development, and community giving.

The first students graduating from regional college programs supported by LANS are entering the workforce and some have even started their own businesses. A total of 481 Northern New Mexico students received scholarships through the Los Alamos Employees' Scholarship Fund program. More than 166 New Mexico companies received economic development assistance that created or retained 240 jobs, added \$6.8 million in additional salaries, and generated more than \$15.8 million in revenue. The Inquiry Science Education program has shown early one-year gains ranging from 16% to 29% improvement in student achievement. Our economic development and education programs have also attracted \$39.3 million of leveraged funding beyond the initial LANS investment. Charitable giving by LANS employees has grown by more than 270% since 2006, and matching funding from LANS has driven a succession of record-breaking giving campaigns that reached the \$2.8 million mark in 2012.

## **LANS Community Commitment Plan is an integral part of achieving the LANL Institutional Goal - *Effective Communication and Community Programs***

### **Goal:**

***Effective Communication and Community Programs*** - Demonstrate our value as a national laboratory, as an employer, and as a good corporate citizen by communicating effectively with our employees, customers, community, and stakeholders while successfully executing our community commitments.

### **Strategy:**

Enhance LANL's reputation as a good corporate citizen through effective execution of our Community Commitment Plan.

### **Objectives:**

- a. Leverage internal, external, and LANS resources to implement the Laboratory's economic development program
- b. Provide Labwide coordination of workforce development and regional education initiatives
- c. Manage a comprehensive community giving program that considers regional needs and enables employee involvement and recognition

## **2013 and beyond . . . build upon results**

Northern New Mexico's challenges continue to evolve from those it faced in 2006 when LANS launched its *Community Commitment Plan*.

Student achievement in math and science continues to be a challenge in Northern New Mexico. In addition, LANS financial contributions and employee volunteerism in support of regional nonprofit organizations have become more valuable in the face of dwindling aid from other sources.

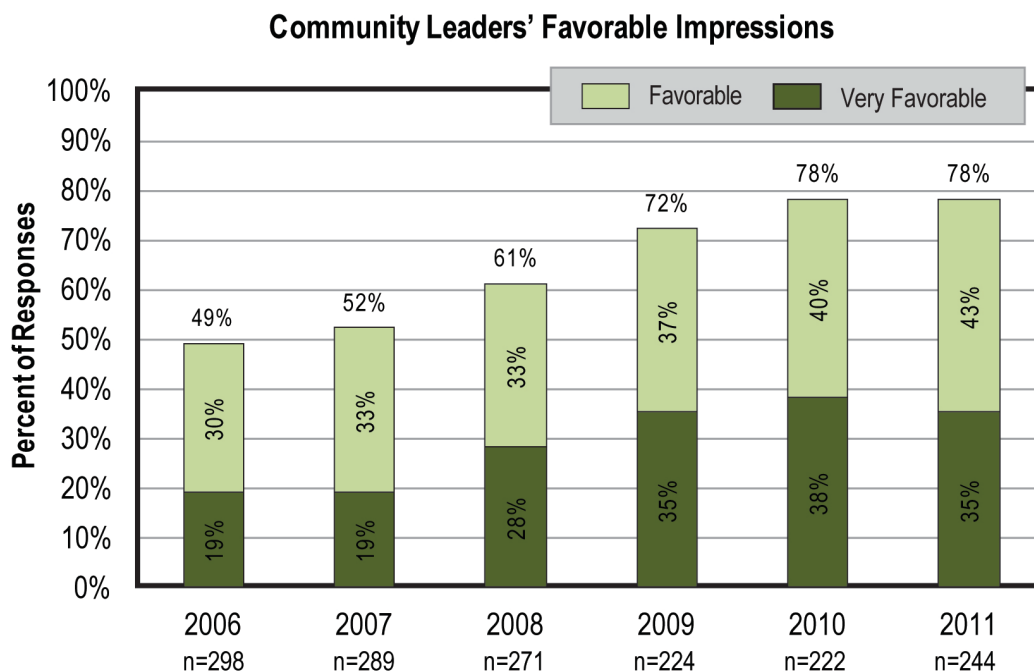
The economic interdependency between the Laboratory and its neighbors has grown at a time when the need to diversify the local economy is greater than ever, and community leader survey feedback tells us that the economy, a lack of good paying jobs, and high unemployment are now the biggest challenges facing the region.

Although the success of LANS community investments has been extraordinary, more can be done to take them to even higher levels by further integrating and refocusing our education, community giving, and economic development programs.

Our strategy starts by focusing our education programs to more quickly address technical workforce needs, incentivizing our employee-driven giving efforts to make Northern New Mexico a more desirable place in which to live and work, and implementing an economic development plan that not only drives new business development but also addresses the challenges faced by existing businesses.

LANS corporate citizenship investments and achievements have helped address the Laboratory's workforce recruiting challenges and served to enhance its reputation with regional citizens and leaders, elected officials, and the media.

The 2011 annual community leaders' survey gave LANL its highest overall favorability scores since the survey was first conducted in 1998, with the most dramatic gains taking place under LANS management as scores in 2006 rose from an all-time low of 49% to today's rating of 78%.



## **Education . . . *provide Labwide coordination of workforce development and regional education initiatives***

It is in the Laboratory's best interest to develop its technical workforce of the future in Northern New Mexico. However, education studies indicate that many regional students are poorly prepared for jobs in Science, Technology, Engineering, and Math (STEM) fields. This situation has negative implications not only for LANL's future workforce needs but for any business thinking of establishing itself in Northern New Mexico. We are rising to this challenge in concert with regional education leadership and expertise.

### **Plan**

An Education Impact Study conducted in 2010 indicated that Northern New Mexico offers an abundance of STEM programs for K-6 students, but relatively few STEM programs exist for students in middle school and beyond. We therefore propose to focus LANS education investments on programs for middle and high school students to better prepare them for collegiate studies leading to STEM careers. This strategy draws on our ability to convene regional education leaders to engage in productive partnerships, leverage existing resources, and implement education initiatives for positive outcomes in student achievement and workforce development.

At present, more than 80% of LANL's students and post-doctoral appointees become full-time employees. LANS investments are therefore particularly well positioned to bridge the gap between education and employment for regional students.

Our STEM education strategy centers on three main objectives:

1. Develop, attract, and retain students in STEM disciplines by investing in effective, data-informed programs for middle- and high-school students, and engage, educate, and excite students about Los Alamos National Laboratory.
2. Strengthen the future workforce of Northern New Mexico and LANL through effective partnerships with regional secondary and higher education organizations, businesses, and industry.
3. Ensure alignment between LANL's and other Northern New Mexico employers' critical skills needs and LANS investments.

This will be accomplished by:

- *Strategic Partnership Investments* – Further support the regional education partners that have demonstrated success with their LANS investments, and enable those partners to collectively share their capabilities and expertise through a new LANS Advisory Work Group. This Work Group will inventory current efforts, evaluate performance, make recommendations, and ensure a strategic and unified approach to delivering a high-quality STEM education pipeline in Northern New Mexico. This systemic, teaming approach to improving regional STEM education does not currently exist.
- *STEM Education Mentor Program* – This program will support regional STEM initiatives that have a strong potential for success, yet require assistance to be eligible for long-term LANS funding. It will be coordinated by the LANL Community Programs Office with assistance from the LANS



Advisory Work Group mentioned above. Initiatives selected will receive coaching and coordination assistance based on program design needs.

**Costs**

\$1 million annual commitment to STEM education: \$250K for the LANL Employee Scholarship Program, \$350K for pre-college math and science education, and \$400K for workforce development programs at regional colleges and universities.

**Metrics**

We will track:

- The number of
  - students and teachers participating in LANS-funded programs
  - students enrolling in college who participated in LANS-funded programs
  - degrees earned through LANS-funded programs
  - students hired at LANL and elsewhere through LANS-funded programs
- Evaluation data, surveys, and reports
- Program effectiveness based on the “gold standard” of randomized trials and quantitative results in educational research

**Strategic Partners**

We will continue to work with and expand our existing cadre of Northern New Mexico higher-education leaders, K-12 school superintendents, principals, and STEM teachers; STEM program coordinators; and business and industry partners.

*“The partnership between LANL and regional colleges creates opportunities for students like me to attain challenging and rewarding careers.”*  
**Sherry Salas-Bachica, Highlands University**



## ***Community Giving . . . manage a comprehensive community giving program that considers regional needs and enables employee involvement and recognition***

A strong, vibrant quality of life within our region is vital to recruiting and retaining top talent for the Laboratory and building the morale of its workforce. LANL remains committed to supporting employee contributions and involvement in our local communities and strengthening our culture of giving. Our objective is to improve the quality of life where we and our neighbors work and live.

### **Plan**

The LANS \$1 million match for our annual employee giving campaign and additional financial investments in LANL volunteer programs have driven employee donations and volunteer hours to all-time highs. Despite record-breaking contributions, employee participation rates have room for improvement. A LANL-wide employee survey was conducted to better understand perspectives, challenges, and opportunities to enhance their giving and community involvement. While not revealing a clear mandate, the survey provided useful insights into improvement strategies that will be implemented during the next Employee Giving Campaign.

Creating a culture of giving begins with understanding what drives employees to contribute their time, talent, and money to their communities. We will strengthen our Community Giving investments by aligning them with employee interests to increase participation and by implementing cost-effective programs with our United Way partners.

The Community Giving tools that will be used to implement this plan include:

*Employee Giving Campaigns* – In collaboration with local United Way organizations, we will create ways to get more employees involved in regional charitable organizations. This begins with building employee awareness of the needs and opportunities in their local communities, demonstrating accountability and transparency of the organizations' operations, recognizing employees' contributions, and minimizing administrative costs associated with giving through the United Way organizations. This will help build trust with employees and streamline efforts for greater regional partnership alignment.

*Volunteer Initiatives* – We will enhance and further promote the success of our employee and retiree volunteers with recruitment, retention, and recognition events. LANS financial contributions to the nonprofit organizations our employees and retirees support have dramatically increased the number of volunteers that participate, the number of hours they report, and the number of non-profit organizations they serve.

### **Costs**

\$1.275 million annual investment: \$1 million for the Employee Giving Campaign, \$250K to further incentivize our employee/retiree volunteer program, and \$25K to fund the VolunteerMatch.org tracking system.

**Metrics**

We will track:

- Employee participation and financial contributions
- The number of employees and hours volunteered through our regional nonprofit organizations
- Employee giving trends

**Strategic Partners**

United Way of Northern New Mexico and United Way of Santa Fe County will continue to be our key partners for the annual employee giving campaign, and we are expanding the list of volunteer opportunities, schools, social welfare, and quality-of-life organizations with whom we partner to implement our other community giving initiatives.



*“Because of LANL employees’ generosity, our family is able to have a Christmas.”*

**Member of the Santa Fe Boys & Girls Club**



*“We are proud of our oldest LANL retiree volunteer Virginia Stovall, who at 102 years of age is still making a difference in the community.”*

**Irene Powell, Director of the Los Alamos Retired and Senior Volunteer Program**

## **Economic Development . . . *leverage internal, external, and LANS resources to implement the Laboratory's economic development program***

LANL continues to be the single biggest economic engine in the region, but the federal funding challenges the Lab faces will inevitably be shared by regional neighbors already struggling with a shortage of good jobs and rising unemployment rates.

### **Plan**

The plan builds on the financial investments LANS has already made in Northern New Mexico, continued collaboration with key public and private partners, and LANL leadership to drive economic development by cultivating entrepreneurship to create new businesses and by strengthen existing regional businesses.

Our strategy is to grow entrepreneurs capable of creating jobs and wealth in Northern New Mexico by targeting high-growth potential companies, with a focus on LANL expertise and technologies. To achieve this, we will take entrepreneurs from concept to commercialization by identifying innovative entrepreneurial talent, providing them with mentoring and technical assistance to learn to produce market-ready products and services, and by attracting and leveraging public and private sector capital investments to launch high-growth companies. However, many Northern New Mexico businesses are struggling to compete in today's economic environment, so we will help address their needs by implementing a supplier enhancement program in coordination with LANL's Small Business Program Office, by investing in the Consortium of Major LANL Subcontractors Economic Development Grant Pool, and by sustaining the successful New Mexico Small Business Assistance (NMSBA) program.

The economic development tools that will be used to implement this plan include:

- *LANS Venture Acceleration Fund (VAF)* – This program will be enhanced to provide timely, year-round resources to support entrepreneurial development in Northern New Mexico and will include a “payback trigger” for companies that succeed as a result of VAF assistance.
- *Mentoring and Business Assistance* – Improving alignment and further leveraging the support of our existing community partners will increase the effectiveness of our business coaching, research, and networking services.
- *Economic Development Grant Pool* – This resource is managed by the Consortium of Major LANL Subcontractors and has enabled the organization to make high-impact investments that have led to significant improvements in local job retention and creation, business expansion in fields such as web store development, and new business start-ups. We plan to invest additional LANS funding in this pool to ensure its success is driven even further.
- *New Mexico Small Business Assistance Program* – This successful state-funded partnership with Sandia National Laboratories will continue to bring the technology and expertise of the national laboratories to New Mexico small businesses to promote economic development, particularly in rural areas.

**Costs**

\$1 million annual investment: \$350K for the Venture Acceleration Fund, \$100K for the Major Subcontractors Grant Pool Challenge, and \$550K to support business mentoring and technical assistance. This will be sufficient to implement the plans outlined above and elevate the positive trajectory of our economic development programs.

**Metrics**

Our efforts to grow the local economy and build an entrepreneurial infrastructure in New Mexico will be measured through:

- Jobs created and retained
- Salaries generated
- Revenue growth of client companies
- Funding leveraged beyond LANS investments

Our business advisory services and the New Mexico Small Business Assistance impacts will be gauged by an annual survey of our clients, and the economic outcomes of our direct financial investments will be measured each year over the lifetime of the partnerships.

**Strategic Partners**

- We will continue to work with the Regional Development Corporation, Consortium of Major LANL Subcontractors, LANL Small Business Programs Office, local chambers of commerce, regional business incubators, and community development organizations to ensure LANS economic development investments meet the needs of our regional stakeholders.
- We will maintain our partnerships with Sandia National Laboratories, New Mexico Manufacturing Extension Partnership, and the New Mexico research universities to maximize the New Mexico Small Business Assistance Program's impact on the State's small-business community.
- We will expand our network of "business drivers" to include additional private sector investors and expert marketplace advisors and help further develop high-growth companies by arranging additional financial investments in their technology commercialization efforts.

*"Northern New Mexico Connect is truly committed to making companies commercially successful. It enabled us to respond quickly to a huge commercial opportunity".*

**Spencer Farr, Vista Therapeutics (Santa Fe)**



## Summary

The LANS *Community Commitment Plan* has served the Laboratory and its neighbors well over the past six years. It marked the beginning of an unprecedented and rewarding chapter in LANL and stakeholder relations. The opportunity has come to launch a new chapter that takes into account the challenges the Laboratory and its neighbors now face in today's social, political, and economic environments.

To further accelerate its success, we are applying the experience we've gained since 2006 to strengthen the connections between our education, community giving, and economic development programs and focus them in a manner that assures they are mutually beneficial and achieve deeper, longer-lasting results in the region.

- Our education investments will continue to spark and maintain an early interest in math and science for younger students, and they will be weighted toward programs designed to more quickly develop the technical workforce for the near-term needs the Laboratory and other regional employers.
- Our employee-driven community giving programs will continue to evolve to ensure they help make Northern New Mexico a better place to work and live for everyone.
- Our economic development investments will continue to help develop new businesses, and they will be balanced to also address the needs of existing companies that are struggling to survive in today's economy.